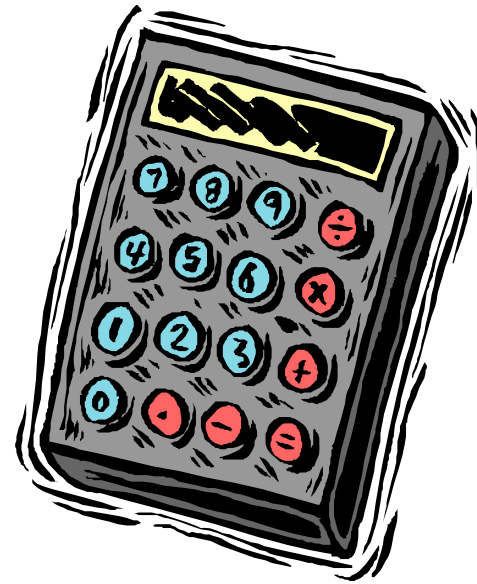


Welcome to CACFP Business Track Training

Application and Record Keeping

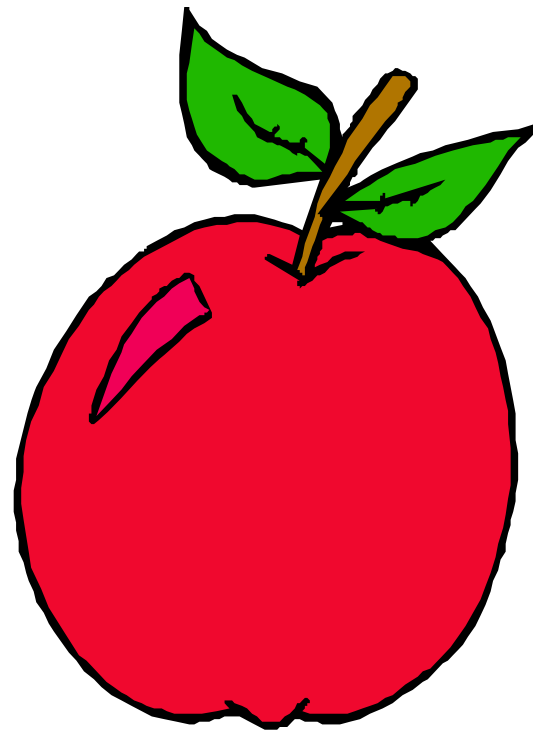


Arizona Department of Education

Welcome

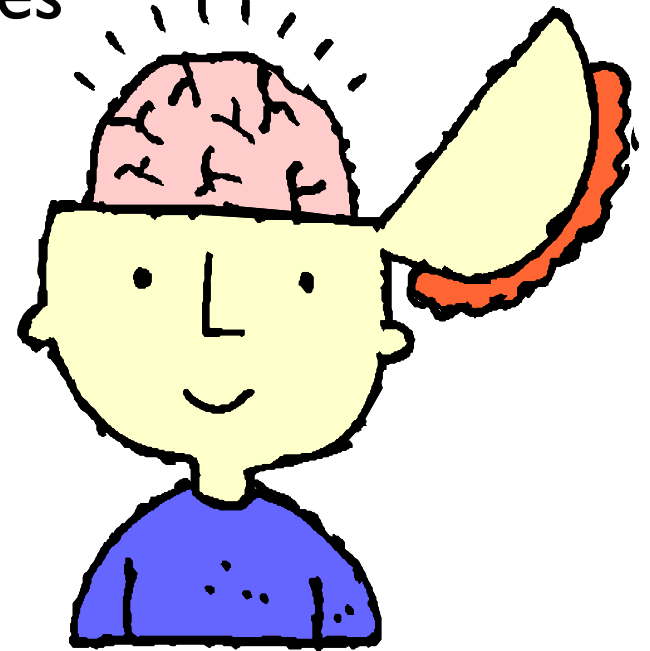
Housekeeping

- Parking
- Breaks
- Restrooms
- Food/vending
- Cell phones



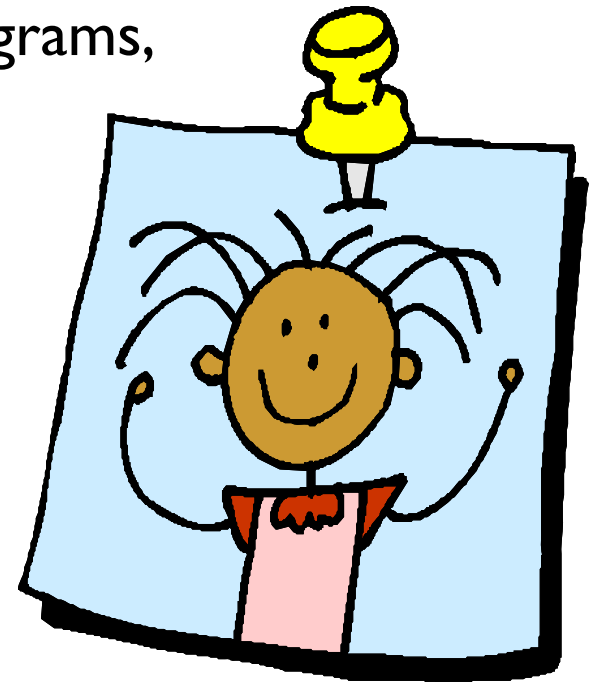
Objectives

- ❑ To understand the responsibilities associated with participation
- ❑ To understand record keeping requirements
- ❑ To become familiar with USDA/CACFP regulations

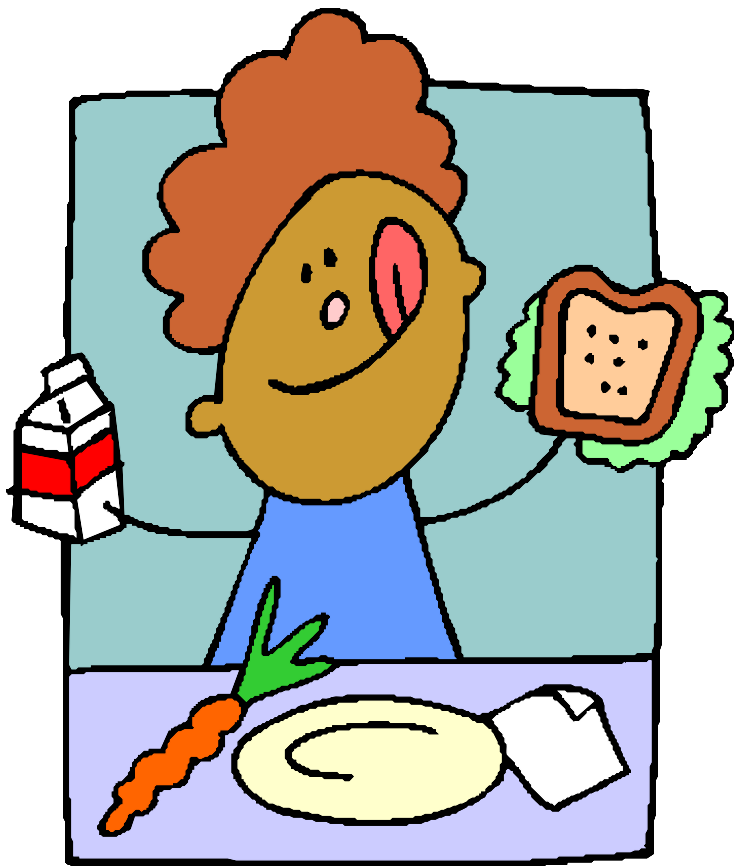


What is the CACFP?

- ❑ Provides reimbursement for nutritious meals served in Child and Adult Care Centers and Homes
- ❑ Administered at the Federal level by U.S. Dept. of Agriculture and directly administered by the Arizona Dept. of Education, Child Nutrition Programs, and Health and Nutrition Services
- ❑ \$2 billion program
- ❑ Approx. 3 million children and 86,000 adults served daily



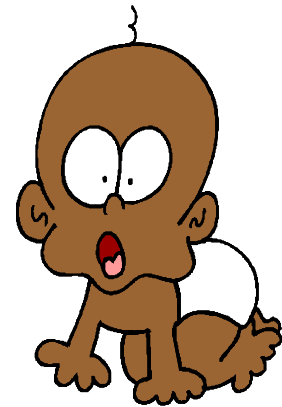
Goal of the CACFP



...helping to
improve and maintain
the **health** and
nutritional status
of children and adults
in care while promoting
the development of
good eating habits

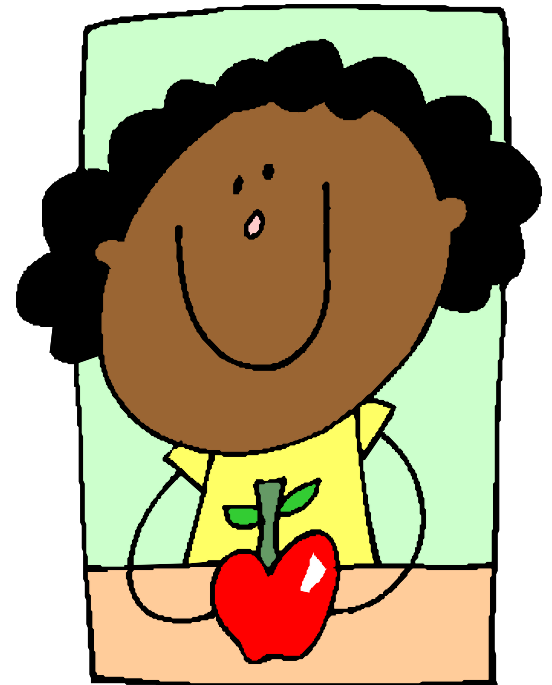
Who may Participate?

- ❑ Children age 12 and younger
- ❑ Migrant children age 15 and younger
- ❑ Youth through age 18 in after school programs in low-income areas



Who may Apply ?

- ❑ Child Care
Centers/Preschools/Head Start
Programs
- ❑ Emergency Shelters
- ❑ At-Risk After School Snack
Programs/
Outside School Hours Programs
- ❑ Adult Day Care Centers



Child Care Centers/Preschools

Criteria:

- ❑ Licensed or approved
- ❑ Private or public
- ❑ Profit or non-profit
- ❑ Non-residential



Head Start Programs

Criteria:

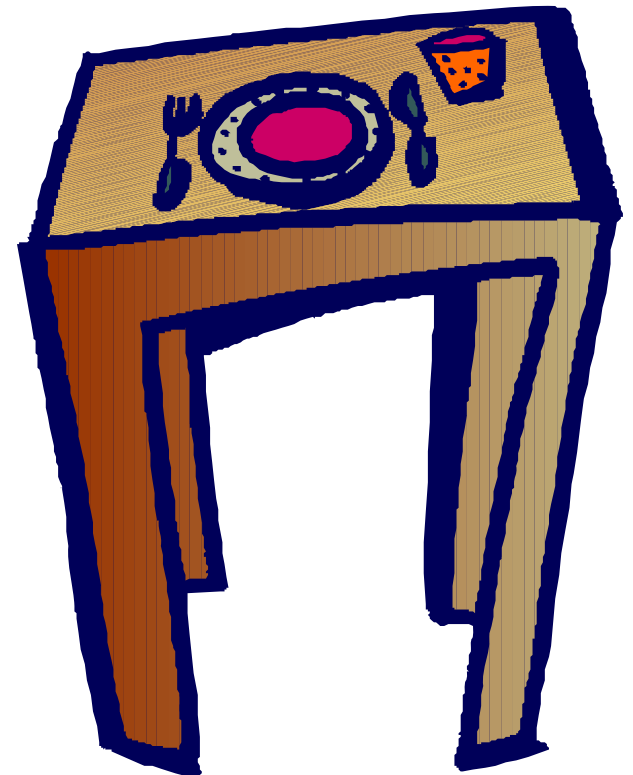
- ❑ Private or public
- ❑ Non-residential
- ❑ Licensed by DHS



Emergency Shelters

Criteria:

- ❑ Private or public
- ❑ Non-profit
- ❑ Provide temporary shelter to children age 18 and parents/guardians
- ❑ Operate a congregate meal service
- ❑ Meet applicable State and local health, safety, and sanitation standards



At-Risk After School Snack Programs

Criteria:

- ❑ Private or public
- ❑ Regularly scheduled activities to children age 18 and younger in organized and supervised environment
- ❑ Include educational or enrichment activities
- ❑ Area-eligible
 - Located within the attendance area of school in which 50% or more children enrolled are eligible for free or reduced-price school meals
- ❑ Meet State and local health and safety standards
- ❑ If child turns age 19 during school year, that child may be claimed for remainder of school year

Outside School Hours Programs

Criteria:

- ❑ Private or public
- ❑ Provide organized child care services outside school services to enrolled school-age children age 12 and younger
- ❑ Licensed by DHS **or** demonstrate compliance with applicable State or local child care standards to ADE
- ❑ May not operate under CACFP on weekends

Profit & Non-profit

▣ For-profit (proprietary)

- Non-residential
- Licensed by DHS

OR

Demonstrate compliance with applicable State or local child care standards to ADE

- Receive compensation under Title XX of the Social Security Act for at least 25% of total enrollment or license capacity, whichever is less

OR

At least 25% total enrollment qualify for Free and/or Reduced meals

▣ Non-profit

- Non-residential
- Tax-exempt status under IRS Code Section 501(c)(3)
- Licensed by DHS

or

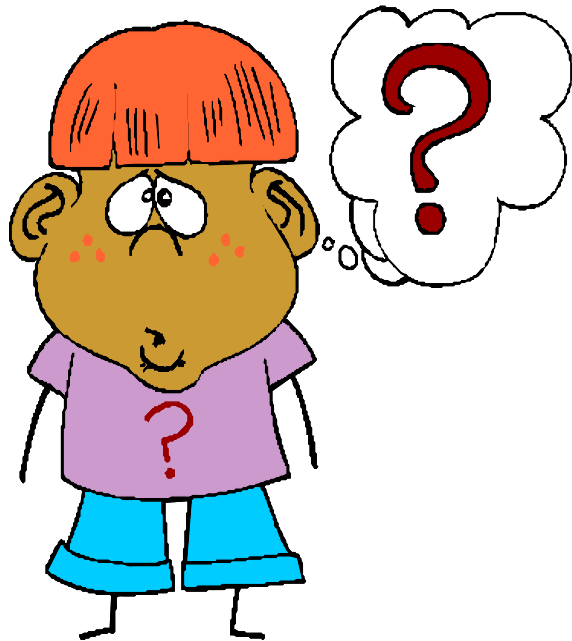
Demonstrate compliance with applicable State or local child care standards to ADE



VCA

Institutions participating in the CACFP, must be financially viable, administratively capable, and have internal controls in place that will ensure program accountability

Getting started...

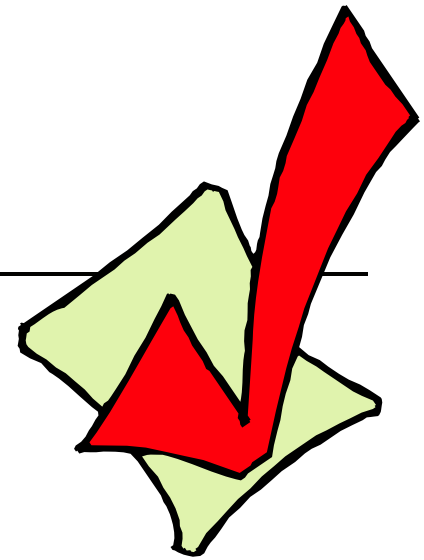


Income Affidavits
and
Enrollment

Distribute & Collect Income Affidavits

- ❑ Distribute an income affidavit for every enrolled participant
 - Current fiscal year
 - ❑ Anyone enrolling after July 1 receives new fiscal year form
 - Update each year during “collection period”
 - ❑ Begins September 1st
 - ❑ Any deviation from this period needs written state approval
- ❑ All income affidavits must include the parent letter to inform parents about the program (two-sided)
 - Remember that it is **voluntary** for parents/guardians to provide income information

Review for Completeness



- ❑ Child's name, age, and birth date
- ❑ Case numbers
 - 8 digits
- ❑ Household income
- ❑ Signer information
 - Signature & date
 - ❑ Dated no earlier than 30 days prior to start of fiscal year (Sept. 1st)
 - Social Security Number (or the word "none")
- ❑ If any changes made to sections 1-5, signer must initial and date
- ❑ Parent letter must be included on back

Categorize

- ❑ Participants categorized as **Free, Reduced, or Paid**
- ❑ Use USDA Child Nutrition Program Income Guidelines for current fiscal year
- ❑ Participants with incomplete income affidavits categorized as Paid



Eligibility - 2 types

□ Income Eligibility

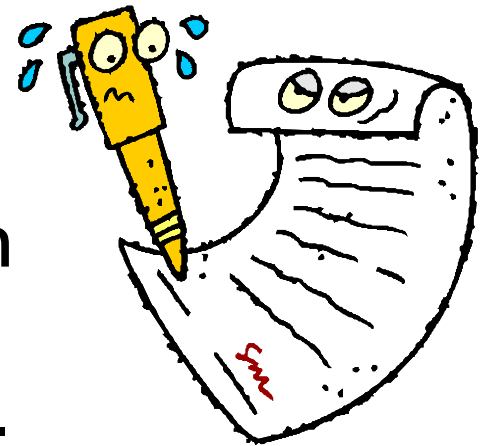
- Complete sections 1, 3, 5 and categorize child(ren) according to total household income as Free, Reduced, or Paid

□ Categorical Eligibility

- Complete sections 2, 5 and child(ren) **automatically** categorized as Free
 - Food Stamps
 - Cash Assistance
 - Food Distribution Program on Indian Reservation (FDPIR)

Approve & Sign

- ❑ Sponsor must sign and date each income affidavit
 - Staff must approve within two weeks of the parent signature
- ❑ During a review, if any information in the Staff Approval section is incomplete, the affidavit will be re-categorized as Paid





Storing Income Affidavits

- ❑ Income affidavits contain confidential information (ie. social security number) and therefore should be kept locked up in a filing cabinet
- ❑ Only supervisory personnel should have access to these documents

Income Affidavit Exceptions:



- ❑ Foster Children
- ❑ Head Start Children

Foster Children

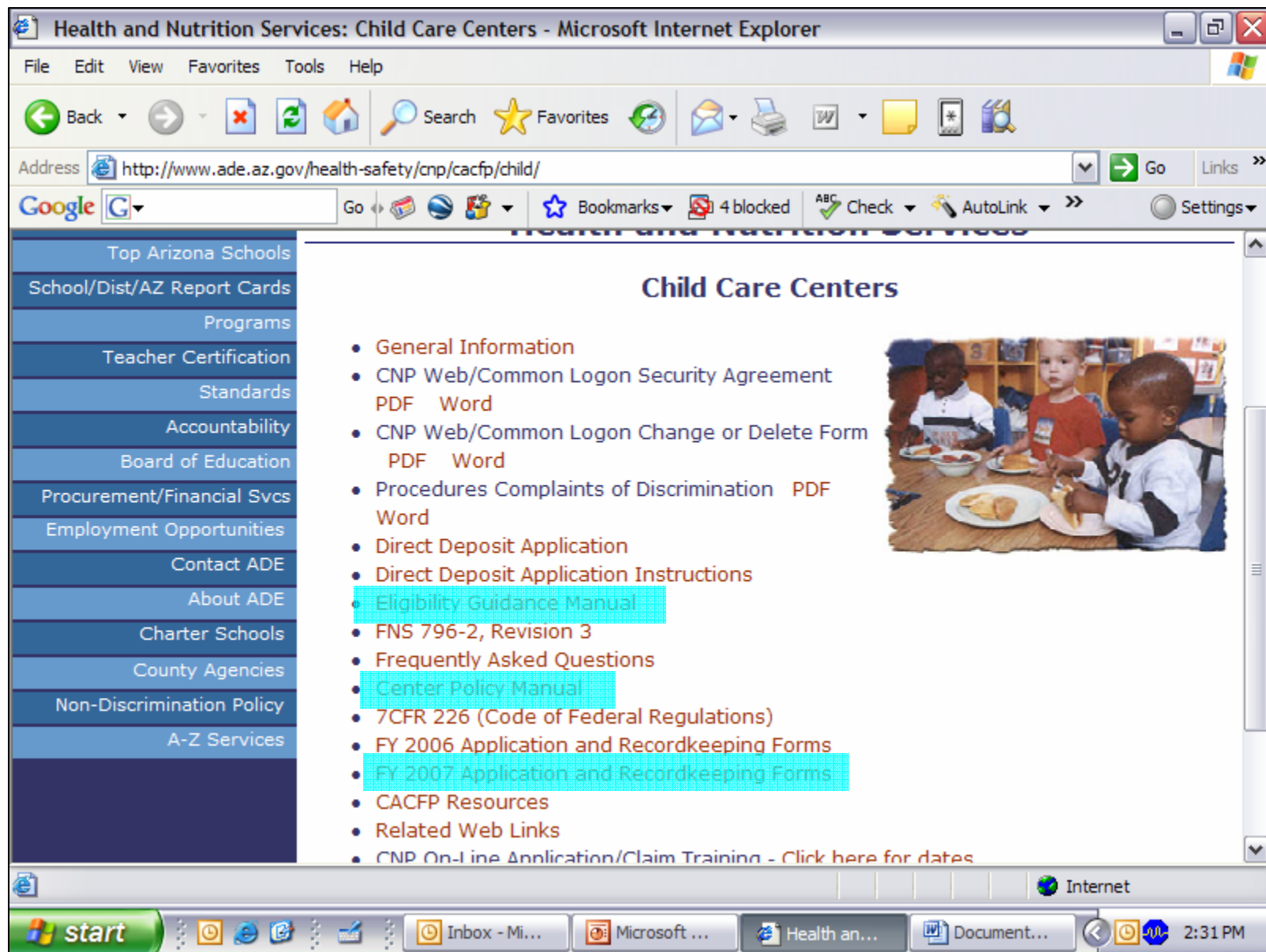
- ❑ Adult household member completes sections 4 & 5
- ❑ If family has foster children and natural children,
separate income affidavits should be completed
 - Foster children should be considered a household of one

Income Application Verification

- ❑ During a review, ADE will collect a sample of income application to verify that the information entered is valid
 - This includes applications classified in the free, reduced, and paid categories
 - ADE will request documentation for any child that is income eligible
 - If a child is classified as categorically eligible, ADE may ask for a copy of the Authenticity Certificate from DES

Head Start Children

- ❑ If application contains all required information, it may be used in place of income affidavit
 - Must be reviewed & signed by Head Start determining official
- ❑ Children who are income-eligible for Head Start are categorized as Free
- ❑ Children who qualify for Head Start based on other factors (i.e. certified disabilities) are categorized according to income eligibility



Enrollment Information

- ❑ Documentation of the enrollment of each participant must be updated, signed, and dated annually by a parent or legal guardian
 - Each card may be updated one time only
 - One idea is to distribute along with income affidavits during annual collection period
- ❑ During a review, CACFP Specialists will randomly select a percentage of blue cards to evaluate

Emergency Information and Immunization Record Card

Child's Name: _____ Date of Enrollment: _____ Updated: _____
Street Address: _____ Date of Disenrollment: _____
City, State & Zip Code: _____ Date of Birth: _____ Sex: ☐ male ☐ female

Mother or Guardian:

Name: _____

Home Address: _____

Home Phone: _____ Cell Phone: _____

Business Name: _____ Work Phone: _____

Business Address: _____

Signature: _____

Father or Guardian:

Name: _____

Home Address: _____

Home Phone: _____ Cell Phone: _____

Business Name: _____ Work Phone: _____

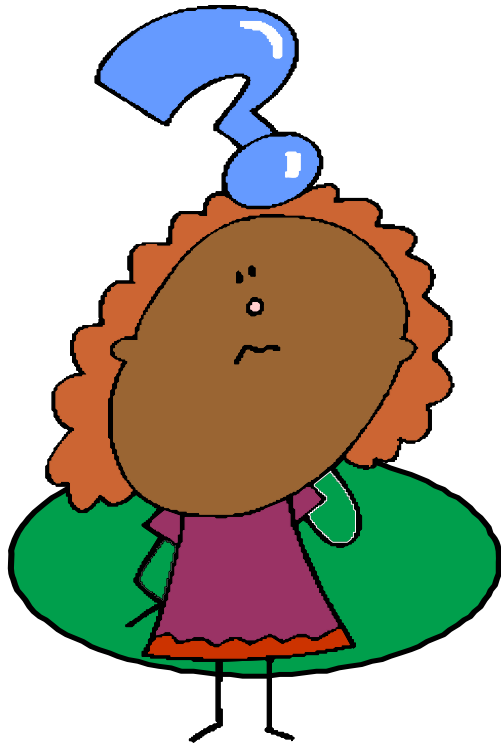
Business Address: _____

Signature: _____

If Medical Care is Necessary, Call:

Done

Unknown Zone



Claiming Percentage Rosters

Claiming Percentage Rosters

- ❑ Used to track number of eligible participants in each category
 - Use separate roster for Free, Reduced, and Paid
 - Track on a monthly basis
 - It is a best practice to list names in alphabetical order

- ❑ A participant in attendance at **any time** during the claiming month must be listed on correct roster
 - Even if they only attend one day during that month
 - Participant with no income affidavit categorized as Paid

Claiming Percentage Rosters

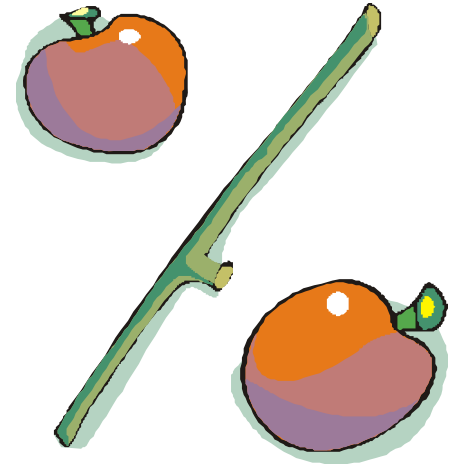
- ❑ Attendance must be verified for each claim month
 - Name on sign-in sheets must match income affidavit and claiming rosters

- ❑ Make monthly adjustments to Free, Reduced, and Paid categories as participants enroll or leave
 - Must be supported by sign-in/sign-out records

[illegible]

Claiming Percentage

- ❑ Based on monthly enrollment
- ❑ Reflects economic population served
- ❑ Determines reimbursement amount

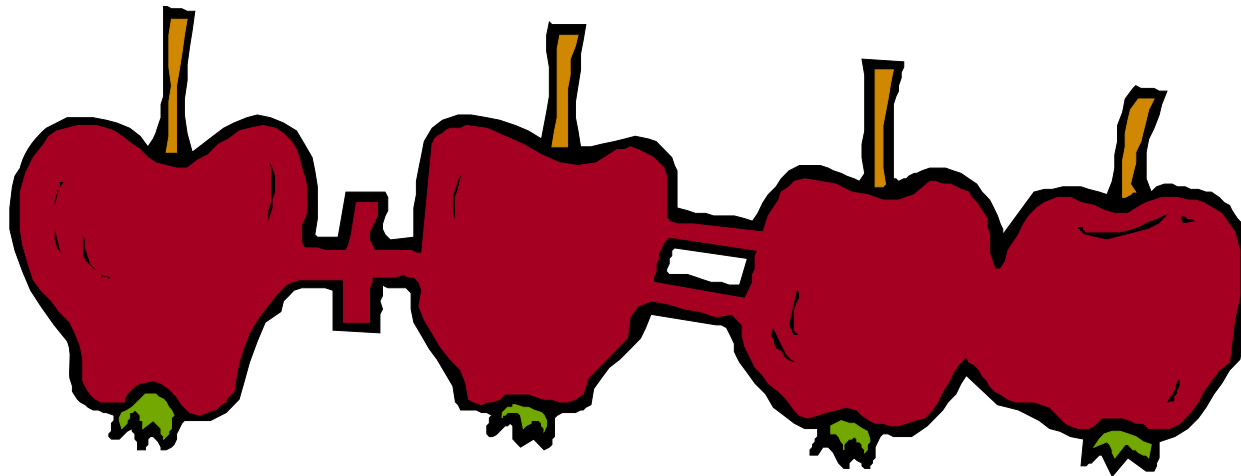


For example...

- 10% of children in attendance for claim month are categorized as “Free”
- 10% of meals served will be reimbursed at Free rate

Activity I

Claiming Percentage Rosters



Monthly Record Keeping Requirements



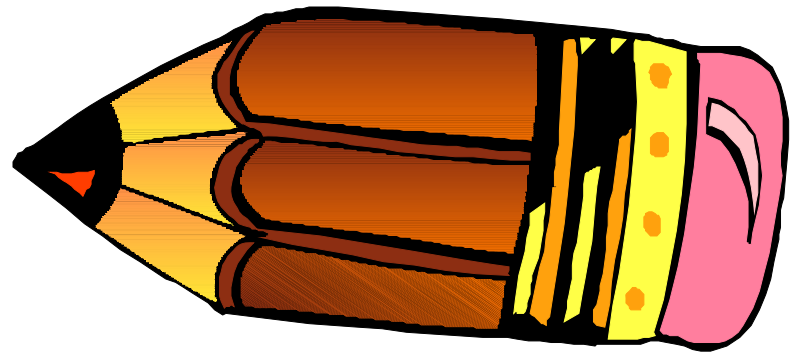


Monthly Record-Keeping

- ☐ Title XX documentation (if for-profit)
- ☐ Sign-in/Sign-out Records
- ☐ Daily Meal Count Sheet
- ☐ Weekly Attendance Meal Record
- ☐ Menus
- ☐ Infant Feeding Preference Letter (if applicable)

More Monthly Record-Keeping

- ☐ Daily Meal Production Record for Infants (if applicable)
- ☐ Production Worksheets
- ☐ Food Service Cost Report
- ☐ CACFP Monthly Expense Worksheet
- ☐ Time Distribution Reports
- ☐ Sponsor Claim - online
- ☐ Site Claim - online



Title XX Documentation

- ❑ For-profits must serve at least 25% Title XX beneficiaries or 25% Free/Reduced during claim month
- ❑ Report this each month on the online Site Claim.
 - If 25% is not met, access to claiming meals will be denied



Sign-in/Sign-out Records

❑ Sign-in/Sign-out sheets

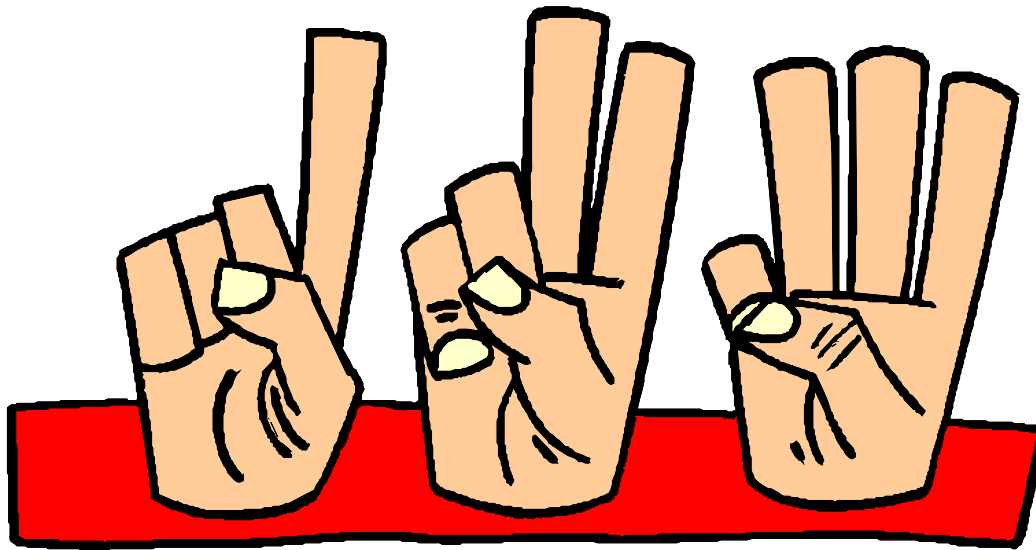
- Parent must sign child(ren) in and out

❑ Automated Sign-in/Sign-out System

- Parent uses computer at center to check child(ren) in and out
- Printouts of attendance must be signed by parent
 - ❑ Printouts can be signed once per week
- Computer generated agreement must be on file

Meal Counts

- ❑ Meal counts must be done at **point of service**
 - While children are eating
 - NOT determined by attendance



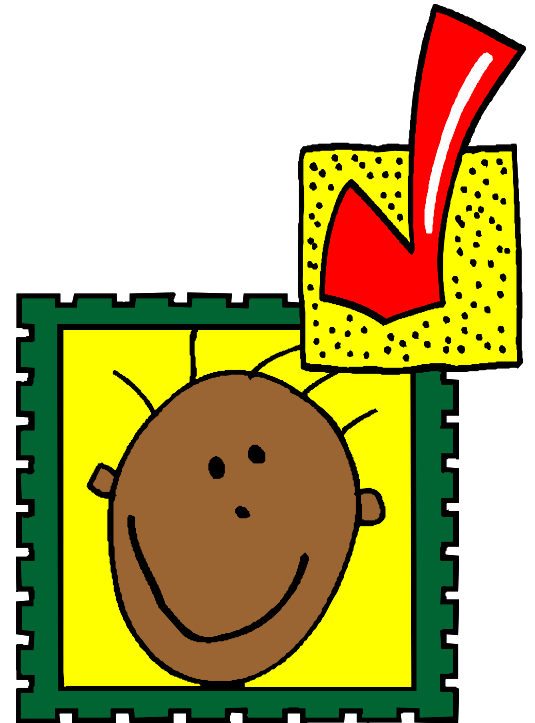
Daily Meal Count Sheet & Weekly Attendance Meal Record

□ Weekly Attendance Meal Record

- Tracks children individually
- Verifies no more than 2 meals and 1 snack claimed per child

□ Daily Meal Count Sheet

- Added totals from all classrooms



Weekly Attendance Meal Record

NAME	MONDAY						TUESDAY						WEDNESDAY						THURSDAY		
	BREAKFAST	AM SNACK	LUNCH	PM SNACK	DINNER	NITE SNACK	BREAKFAST	AM SNACK	LUNCH	PM SNACK	DINNER	NITE SNACK	BREAKFAST	AM SNACK	LUNCH	PM SNACK	DINNER	NITE SNACK	BREAKFAST	AM SNACK	LUNCH
AAA,Jake	x	x	x				x	x	x				x	x					x	x	
BBB,Maddie			x	x					x	x					x	x					x
CCC,Carrie	x	x	x	/			x	x	x	/			x	x	x	/			x	x	x
DDD,Michael		x	x	x				x	x	x				x	x	x				x	x
EEE,Tyson	x	x	x	/			x	x	x	/			x	x	x	/			x	x	x
Totals	3	4	5	2			3	4	5	2			3	4	4	2			3	4	4

Daily Meal Count Sheet

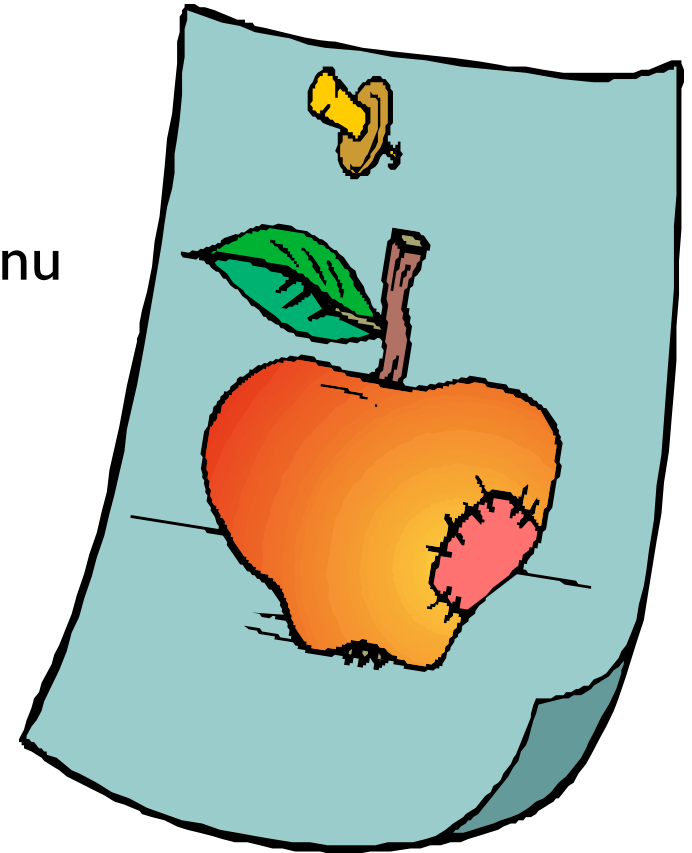
No. of Meals Served to Enrolled Children

No. of Meals Served to Adults

Date	Breakfast	A.M. Snack	Lunch	P.M. Snack	At-Risk Snack	Supper	Nite Snack	Breakfast	A.M. Snack	Lunch	P.M. Snack	At-Risk Snack	Supper	Nite Snack
3/01	28	16	31					3	2	3				
3/02	25	18	35					4	2	4				
3/03	22	16	35					4	2	4				
3/04	29	16	31					4	2	3				
3/05	31	18	30					3	2	3				
3/08	25	15	32					4	2	3				
3/09	25	16	33					4	2	3				
3/10	27	16	33					4	2	4				
3/11	25	15	35					4	2	4				
3/12	24	17	31					4	2	4				
Subtotal	261	163	326											
Infant Total	40	38	41											
Total	301	201	568					38	20	35				

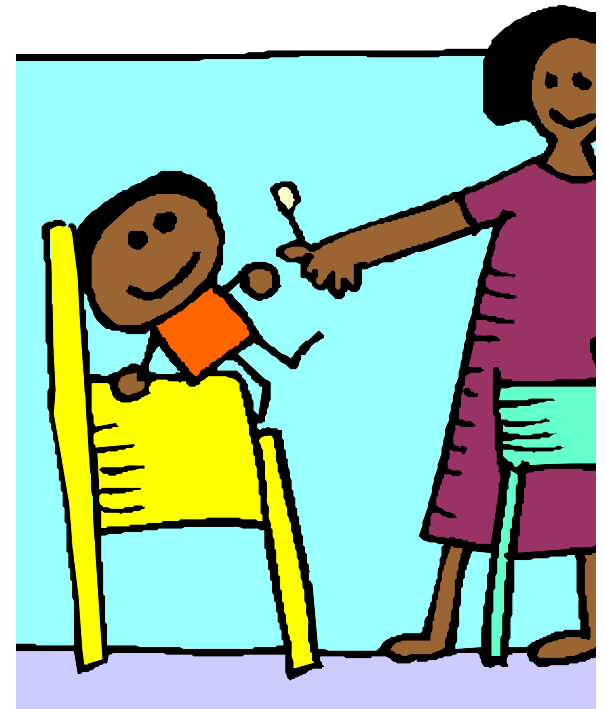
Menus

- ❑ Posted where parents/guardians can view
- ❑ All components clearly listed
 - Menu items must be specific
 - If substitution, mark on existing menu
 - Must include the nondiscrimination statement
- ❑ Keep on file with monthly CACFP records



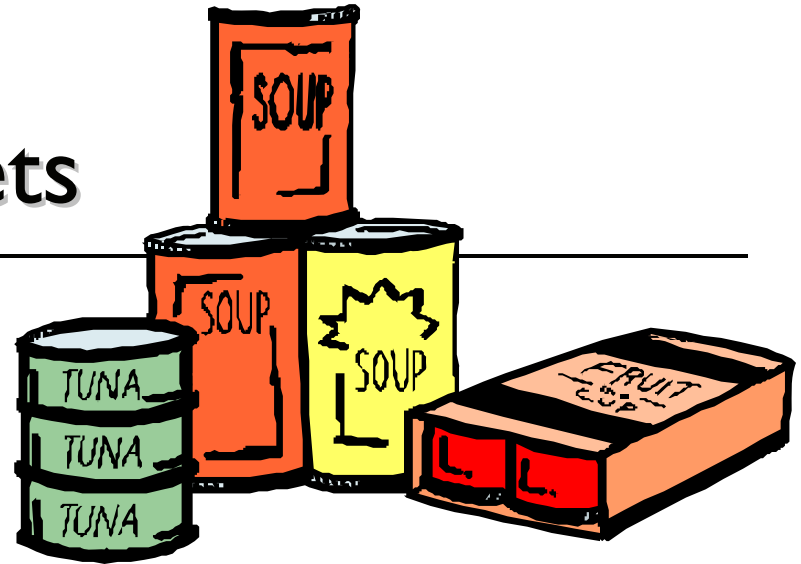
Daily Meal Production Record for Infants

- ❑ Child care centers must purchase and offer program meals to ALL eligible children, including infants
- ❑ Infant Feeding Preference Letter
 - Must be completed for each infant
- ❑ Daily Meal Production Records
 - List amount of each required component offered
 - Add up meals to be claimed and transfer to Daily Meal Count Sheet



Production Worksheets

- ❑ Assist in meal planning and preparation
- ❑ Document amount of food to be purchased
- ❑ Should be done at least 2 weeks in advance
- ❑ Mandatory
 - May become optional after successful program evaluation



Reporting Costs

- ❑ Costs are not reimbursable
 - Verify non-profit food service
 - Verify financial viability
- ❑ Monthly documentation
- ❑ Use FNS 796-2 Rev. 3 to determine reportable costs
 - ❑ Food Service Costs
 - ❑ Labor Expenses
 - ❑ Facility Expenses
 - ❑ <http://www.fns.usda.gov/cnd/Care/Default.htm>

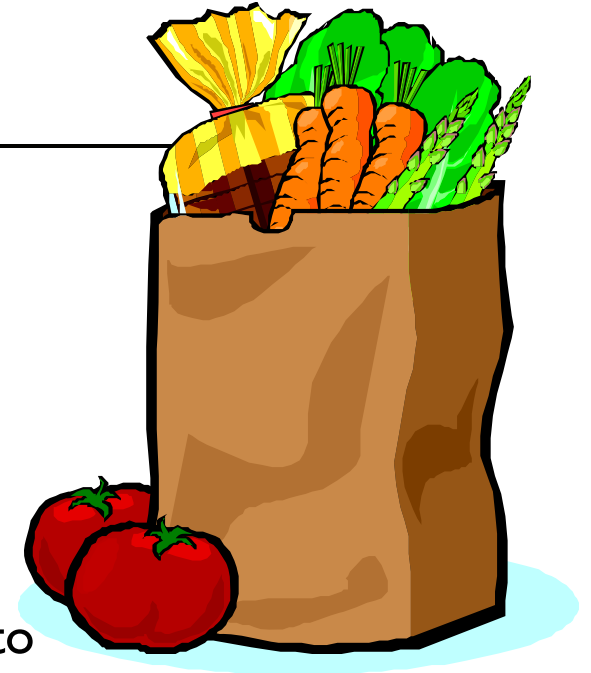


Food Service Costs

- Use Food Service Cost Report

- Complete monthly
- File with receipts, invoices
 - Include only items that are directly related to food service

- **At least 50%** of CACFP reimbursement MUST be used for quality food purchases



Food Service Cost Report

Date	Invoice Number	Supplier	Total Invoice	Food/ Milk	CACFP Supplies	Non CACFP Supplies	Tax
			\$	\$	\$	\$	\$
10/08/05	100	Safeway	215.92	162.40	13.65	22.60	17.27
10/13/05	101	Sysco	96.47	96.47	0	0	0
10/22/05	102	Fry's	28.63	24.34	0	2.00	2.29

TOTAL \$ 283.21 \$ 13.65

Activity II

Food Service Costs



Labor Expenses

- ❑ Maintain a written compensation policy for each position
- ❑ Maintain daily time distribution reports



Time Distribution Report

Employee Name Delilah DDD	Position Teacher	Normal Work Hours 7am-4pm	Month/Year OCT/06
----------------------------------	-------------------------	----------------------------------	--------------------------

	Work Hours		CACFP Administrative Tasks	Food Service Operational Tasks	CACFP Training	CACFP Monitoring	Totals	
Day	Start	End	A. e.g., Managing, planning, organizing	B. e.g., menu planning, meal prep., serving, clean-up, supervising, meal counts	C. Attending or providing CACFP Training	D e.g., Pre- approval, monitoring visits	E. Total Food Service Hours	F. Total Hours Worked for the day
1	7:00 am	4:00 pm		3			3	8
2	7:00 am	4:30 pm		3.5			3.5	8.5
Monthly Totals				6.5			6.5	16.5

Total Food Service Hours: 6.5	Total Hours Worked: 16.5
--------------------------------------	---------------------------------

CACFP MONTHLY EXPENSE WORKSHEET

Sponsoring Organization _____

Site _____

Month/Year _____

LABOR EXPENSES

BENEFITS

A	B	C	D	E	F
POSITION	TOTAL FOOD SERVICE HOURS PER MONTH (FROM TIME DISTRIBUTION REPORT)	SALARY PER HOUR	GROSS PAY (B X C)	PERCENT OF TIME SPENT ON CACFP TASKS THIS MONTH B ÷ TOTAL MONTHLY HOURS	CACFP PORTION OF BENEFITS E X TOTAL BENEFITS PAID TO EMPLOYEE
Teacher	6.5	\$8	\$52	$6.5 \div 16.5 = 0.39$ OR 39%	$0.39 \times \$100 = \39

TOTAL: \$ 52
SALARIES

\$39
BENEFITS

Facility Expenses

- ❑ Based on square foot percentage attributed to CACFP
 - Measure kitchen, food storage, and food service area
 - If multi-purpose room, measure only square footage of table tops
- ❑ Communication & Utilities
- ❑ Rent or Mortgage
- ❑ Contracted Services
 - Pest control
 - Refrigerator repairs
- ❑ File all supportive documents
 - Billing statements, receipts



CACFP EXPENSE WORKSHEET

FACILITY EXPENSES

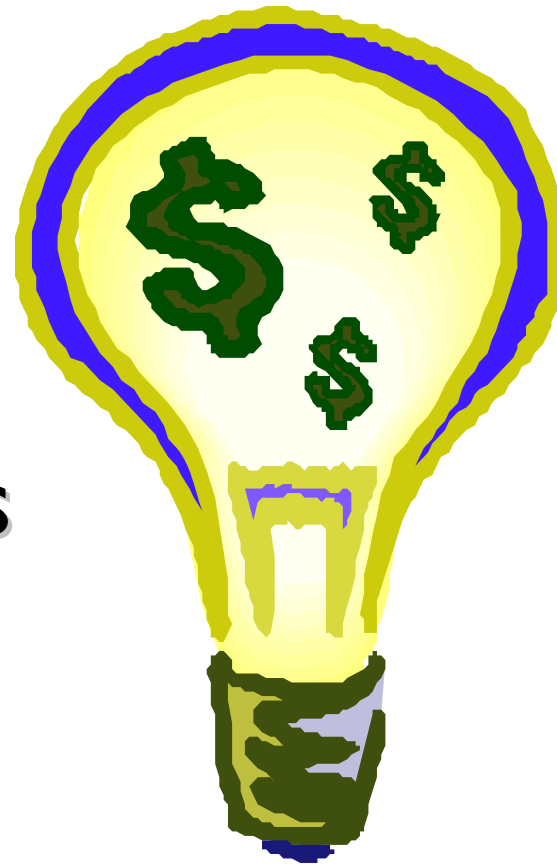
SQUARE FOOTAGE OF CACFP SERVICE AREA ÷ TOTAL SQUARE FOOTAGE OF FACILITY = PERCENTAGE ATTRIBUTED TO CACFP

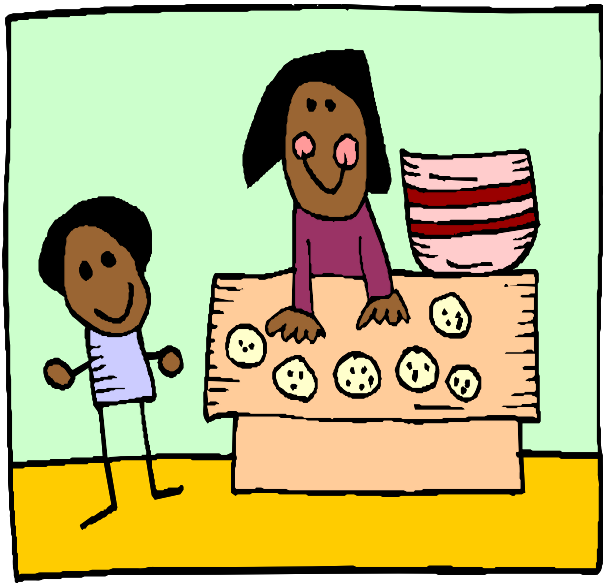
$$\underline{600 \text{ Sq. Ft}} \div \underline{2,400 \text{ Sq. Ft}} = \underline{0.25}$$

A	B	C	D
SERVICE	BILLED AMOUNT	PERCENTAGE ATTRIBUTED TO CACFP	TOTAL (B x C)
COMMUNICATION AND UTILITIES	\$500	0.25	\$125
RENT OR MORTGAGE	\$3000	0.25	\$750
CONTRACTED SERVICES	\$100	0.25	\$25

Activity III

Facility Expenses





Meal Service Requirements

Claimable Meals/Snacks

Per participant, per day:

- 2 meals & 1 snack

OR

- 2 snacks & 1 meal

OR

- 3 snacks

*Exception:

- Emergency Shelters

- 3 meals per participant, per day



At-Risk After School Snacks

- ❑ Limited to 1 snack per child per day
- ❑ All snacks reimbursed at Free rate
- ❑ Claimed only during school session
 - Includes intercessions, weekends, & holidays
- ❑ If exclusively At-Risk After School Snacks...
 - Meal counts taken by attendance rather than point of service
 - Income affidavits are not necessary
 - ❑ Determination based solely on area eligibility (F/R 50% or more) and educational/enrichment activities

Claimable Duration of Food Service

Meal Type	Customary Meal Times	Claimable Duration of Food Service
Breakfast	6am - 9am	1 ½ hours
AM Snack	Between Breakfast & Lunch	1 hour
Lunch	11am - 1pm	2 hours
PM Snack	Between Lunch & Snack	1 hour
Supper	5pm - 7pm	2 hours
Night Snack	After 7pm	1 hour

Meal Times

Must be a two hour minimum between the beginning of each meal.

Examples:

Meal Type	Meal Times Example I	Meal Times Example II	Meal Times Example III
Breakfast	7-8:30am	8-9am	6-7:30am
AM Snack	9-10am	10-10:30am	9-9:30am
Lunch	11am-1pm	12-1pm	11am-12pm
PM Snack	2-3pm	2-2:30pm	1:30-2:30pm
Supper	5-7pm	5-6:30pm	5-6pm



Display/Distribute
Information

Post

- ❑ “And Justice for All” poster must be displayed in area visible to parents
- ❑ Center must post additional information promoting the serving of nutritional meals meeting USDA requirements
 - Building for the Future poster



WIC Information

- ❑ WIC is a supplemental nutrition program for women, infants, & children
- ❑ All centers are **required** to distribute or post WIC information to parents of enrolled children



CHIP Information

❑ Children's Health Insurance Program

- KidsCare is Arizona's health insurance for children under age 19

❑ Distributing CHIP information is voluntary, but highly recommended





File Maintenance

Maintain Onsite

- ❑ The following should be maintained **onsite** for the current fiscal year:
 - Income Affidavits for all attending participants
 - Claiming Percentage Rosters for Free, Reduced, & Paid participants
 - All monthly records
- ❑ All files **must** be made available at the time of review

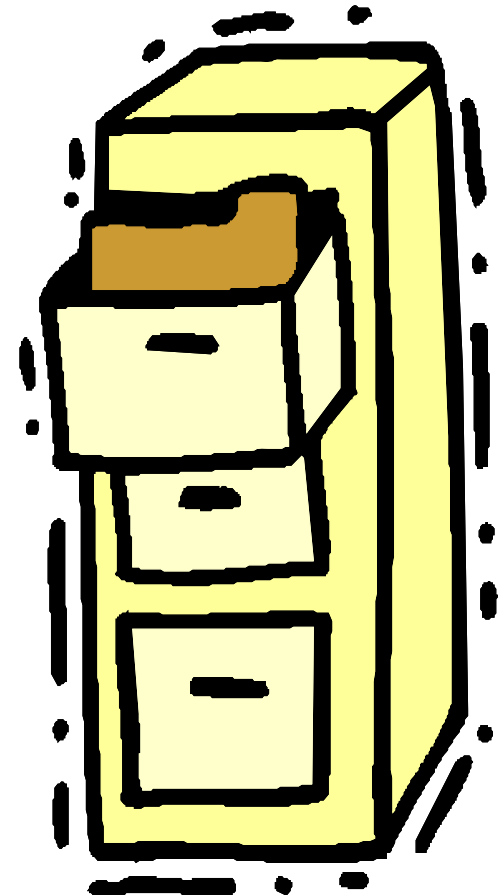


Maintain in Permanent Records

- ❑ CACFP Administrative Review Procedures
- ❑ Permanent Agreement
 - A signed copy will be returned to you upon approval
- ❑ Application and Management Plan
 - Including attachments
- ❑ Procurement Standards Guidelines
- ❑ Civil Rights Pre-Award Compliance Review
- ❑ Procedure for Complaints of Discrimination
- ❑ Civil Rights Compliance Data Collection
- ❑ Free and Reduced Price Policy Statement
- ❑ Computer Generated Meal Count Agreement (if applicable)
- ❑ Copy of Food Service Vendor Contract (if catered)

Policies & Procedures

- ❑ Written policies and procedures regarding collection and maintenance of all CACFP documents
- ❑ CACFP duties must be included in all job descriptions
- ❑ Record Maintenance
 - Current year must be kept onsite
 - Previous 5 years may be archived, but must be made immediately available upon request
 - Must have a written policy
 - ❑ Should include where specific records are stored, how long they are stored for, and who has access to them



Adding a New Site

- ❑ New site must provide copy of licensure approval
- ❑ Conduct a pre-approval visit prior to adding the site
 - Complete pre-approval review forms
- ❑ Train all staff on CACFP job duties prior to participation
- ❑ Collect income affidavits
- ❑ Collect enrollment information
- ❑ Complete and submit hard copy site application
- ❑ Update and submit training plan
- ❑ Update and submit monitoring plan
- ❑ Complete and submit online site application

CIVIL RIGHTS





Civil Rights Requirements

- Effective Notification System
 - Program Availability
 - Complaint Information
 - Non-discrimination Statement
 - Civil Rights Poster



Civil Rights Requirements Cont'd

□ Complaint and Compliance

- Complaint Procedures

- Federal, State & Local Compliance

 - All Sponsoring Organizations must provide Civil Rights Training to staff annually

- Pre-Award Compliance Review

Approved Non-discrimination Statements

- ❑ This institution is an equal opportunity provider and employer

OR

- ❑ In Accordance with Federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. Persons with disabilities who require alternate means for communication of program information (Braille, large print, audiotape, ect.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

To file a complaint on discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, D.C., 20250-9410 or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer

Civil Rights Requirements Cont'd

□ Limited English Proficiency (LEP)

- Proportion
- Frequency
- Importance
- Resources

For more information on LEP go to: www.lep.gov

Civil Rights Requirements Cont'd

□ Religious Organizations

- Equal Opportunity
- Independence
- Facilities
- Discrimination

□ Prayer cannot be done over a CACFP meal

For further information go to: www.fbcf.gov

Civil Rights Contact Information

- For more information, contact:

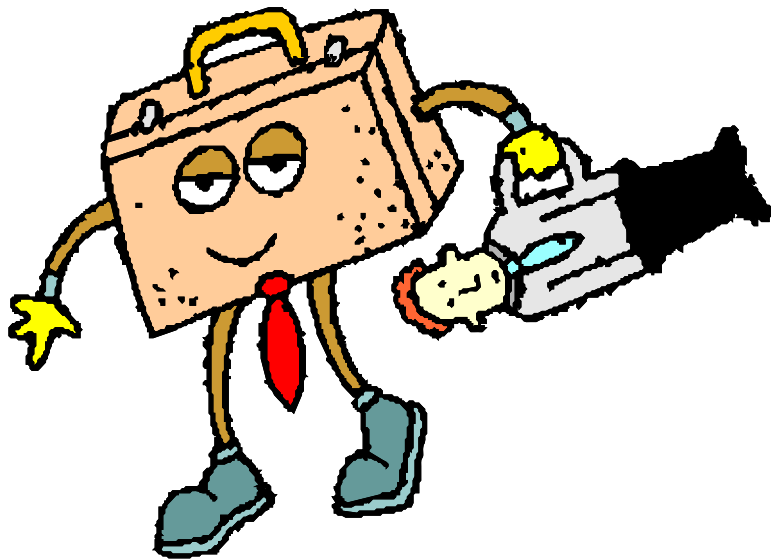
- Brian Walsh, Civil Rights Liaison

- (602)542-6208 or

- Brian.Walsh@azed.gov

- Or visit our website:

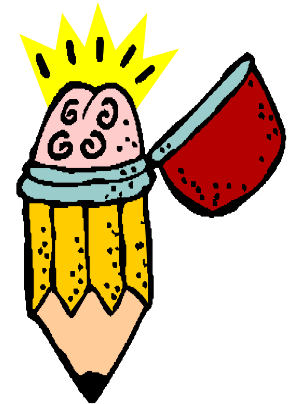
- <http://www.ade.az.gov/health-safety/cnp/CivilRights/Default.asp>



The Application Process

Site and Sponsor Applications

- ❑ No more than 6 months may elapse between the time you take the three required trainings and the time you submit the application
 - If it has been more than six months, then you must retake the training classes
- ❑ Submit hard copy of site and sponsor applications
 - Each site must have a separate application
 - Hard copies will be converted to online applications by ADE



CNP Web

- ❑ <http://www.ade.az.gov>
- ❑ Access to Sponsor & Site applications
 - Be sure to submit your Site application first, then your Sponsor application
- ❑ Access to Sponsor & Site claims
- ❑ Access to program memos
 - It is important to review these periodically to ensure program compliance



Common Logon

- ❑ User ID and Password
 - Acts as a signature and certification that information submitted is valid
 - Issued only to approved authorized signers
 - Must NOT be shared
 - If change in employee, contact ADE to delete/add
- ❑ To obtain, call (602) 542-8715

If Application Changes Occur...

- ❑ Submit online revisions for these changes:
 - Address
 - Telephone number(s)
 - Name change(s) or program contact
 - Other changes affecting reimbursement
 - Revisions to Sponsor and online site application

- ❑ Notify ADE for these changes:
 - Adding or terminating/dropping site(s)
 - Change in authorized signers
 - New ownership
 - ❑ CACFP is not part of a sale. New owners must reapply.
 - License/approval status
 - Tax-exempt status

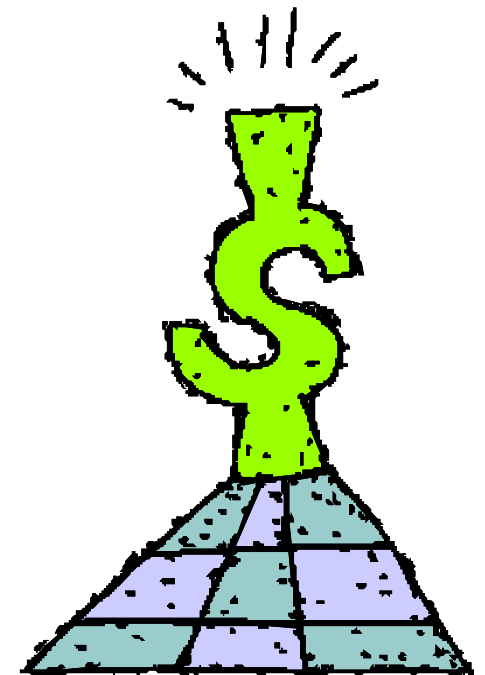
Application and Management Plan

- ❑ Must demonstrate integrity of Sponsor
- ❑ Reflects internal controls for managing CACFP
- ❑ Renewed every fiscal year
- ❑ Applications will not be processed if incomplete
 - Use instructions in application packet



Budgets

- ❑ Budgets provide a measure of the adequacy and efficiency of institutional operations
- ❑ Institutions must plan expenses within the constraints of projected annual revenue
- ❑ Institutions must evaluate costs attributed to CACFP
- ❑ Balance Sheet required
 - Shows nonprofit food service account

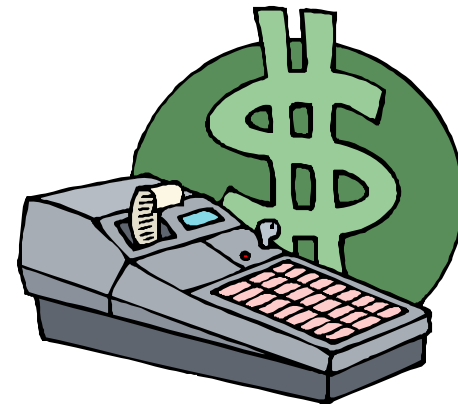


Administrative Budget Costs

- ❑ Cannot be assignable or included as a cost to any other Federally financed program
 - If receiving funding for DES and CACFP, you cannot use CACFP funds to pay for DES duties
- ❑ Cannot exceed projected revenue
- ❑ Must be adequately documented

Annual Projected CACFP Expenses

- ❑ Sponsors must provide proof of all expenses directly associated with CACFP operation
- ❑ Sponsor budgets must be updated annually
 - In Application and Management Plan
- ❑ Sponsor must be familiar with FNS instruction 796-2 Rev. 3 which defines allowable & unallowable costs
 - ❑ Labor Expenses
 - ❑ Facility Expenses
 - ❑ Food Service Costs



Projected Annual CACFP Expenses - Labor

A. Position (such as director, monitor, clerical, training, cook, teacher, etc.) AND CACFP Duties (such as planning, eligibility determination, enrollment, preparing and serving meals, etc.)	B. Number of staff in position	C. Hours per day for CACFP duties only	D. Salary per hour	E. Salary per day (B x C x D)	F. Annual Number of work days	G. Gross CACFP Pay (E x F)	H. CACFP portion of benefits (see instructions Section III, Budget – H)
<u>Position:</u> Director <u>CACFP Duties:</u> Files claims, performs edit checks, conducts trainings.	1 x	1 x	\$15.00 =	\$16.00 x	255 =	\$4080.00	0
<u>Position:</u> Teacher <u>CACFP Duties:</u> conducts point of service meal counts, supervises meals	5 x	2 x	\$7.50 =	\$ 76.00 x	240 =	\$18,240.00	0

Total: \$17,340 0
 Salaries Benefits

Projected Annual CACFP Expenses – Facility Costs

**SQUARE FOOTAGE OF CACFP SERVICE AREA ÷ TOTAL SQUARE FOOTAGE OF FACILITY =
PERCENTAGE ATTRIBUTED TO CACFP**

$$\underline{500 \text{ Sq. Ft}} \div \underline{5,000 \text{ Sq. Ft}} = \underline{.10}$$

A	B	C	D
SERVICE	BILLED AMOUNT	PERCENTAGE ATTRIBUTED TO CACFP	TOTAL (B x C)
COMMUNICATION AND UTILITIES: PHONE: <u>\$80 PER MONTH X 12 = \$960</u> ELECTRICITY: <u>\$250 PER MONTH X 12 = \$3000</u> INTERNET: <u>\$45 PER MONTH X 12 = \$540</u> WATER: <u>\$100 PER MONTH X 12 = \$1200</u>	\$5,700	.10	\$570
RENT OR MORTGAGE: LEASE AGREEMENT: <u>\$2,000.00 PER MONTH</u>	\$24,000	.10	\$2400
CONTRACTED SERVICES: PEST CONTROL: <u>\$100 PER MONTH X 12 = \$1200</u> TRASH: <u>\$25 PER MONTH X 12 = \$300</u> CONTRACTOR: <u>\$200 PER MONTH X 12 = \$2400</u>	\$3,900	.10	\$390

Projected Annual Income

- ❑ Non-CACFP Income

- Tuition, grants, Federal Assistance, DES Reimbursement

- ❑ CACFP Income

- ❑ Value of Cash/Non-Cash Donations

- ❑ Value of Excess Meals Served to Personnel

- Personnel encouraged to enjoy mealtime with participants
 - Personnel meals are not reimbursable
 - If personnel (parents, volunteers) participate in the meal service, those meals must be recorded on a monthly basis

Value of Excess Personnel Meals

- ❑ Assign a monetary value to excess meals over the 1:5 ratio
- ❑ Multiply assigned value by excess number of meals and report total
- ❑ Sponsors may assign a fair value that represents cost of meal or may use the USDA Reimbursement rate for Free Meals
- ❑ To determine the ratio:
 - Divide total number of each meal type served to participants by 5

Example:

Lunch served 1000 participants

$$1000 \div 5 = 200$$

You may serve 200 adult meals without reporting a value

Procurement Standards Guidelines

All CACFP Organizations in Arizona must follow these purchasing thresholds:

\$0-\$999	Use price comparison. Quotes are not required
\$1,000-\$4,999	Verbal price quotes from three (3) or more vendors
\$5,000-\$9,999	Written price quotes from three (3) or more vendors
\$10,000 +	Competitive sealed bidding (i.e., Request For Proposal or Invitation For Bid)

Limits are for a single good or service during a program year



Free and Reduced Price Policy Statement

- ❑ Every applicant is required to submit a free and reduced price policy statement
- ❑ Along with this statement, the applicant is required to submit a copy of the press release to a local media source that notifies the public that your center operates under the Child and Adult Care Food Program. A copy of the confirmation of the media source receiving the release must be submitted along with the application



Pre-approval Visit

- ❑ Once your assigned specialist determines that your application is complete, he/she will contact you to schedule a Pre-approval Visit
 - ❑ Purpose is to determine if the applicant is capable of operating the Child & Adult Care Food Program
- ❑ Your application is then turned over to our supervisor for his/her final approval

Submitting Claims



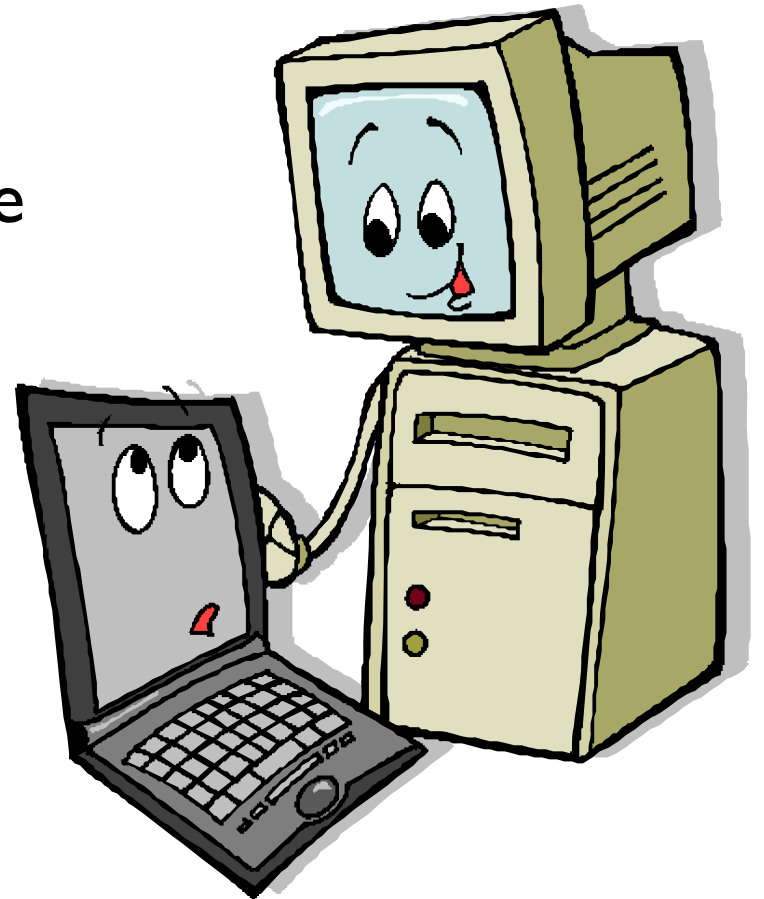
Submitting Claims

Each month, Sponsor will submit online:

- ❑ Sponsor Claim
- ❑ Site Claim(s) - one for each site

- ❑ CNP Website

<http://www.ade.az.gov>



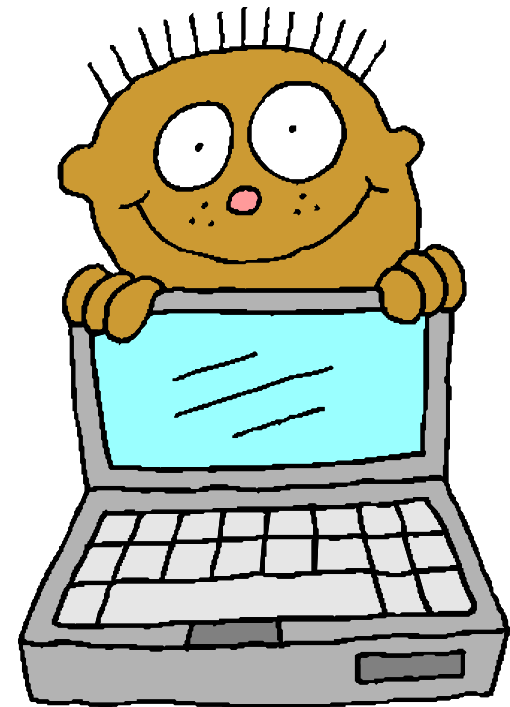
Sponsor & Site Claims

Sponsor Claim – submit 1st

- ❑ Use information from:
 - Food Service Cost Report
 - Monthly Expense Worksheet

Site Claim – submit 2nd

- ❑ Use information from:
 - Daily Meal Count Sheet
 - Title XIX/XX documents
 - Claiming Percentage Rosters



Site Claim - Online Submission

Participants Approved for Reduced-Price Meals:

Participants Approved for Paid Meals:

Participants Enrolled:

0

Participants Receiving Title XIX or XX Benefits:

Percent of Enrolled Participants Receiving Title XIX
or XX Benefits:

0

Breakfast

Breakfast:

Free Meals Served:

0

Reduced-Price Meals Served:

0

Paid Meals Served:

0

Lunch

Lunch:

Free Meals Served:

0

Reduced-Price Meals Served:

0

Paid Meals Served:

0

Claims - Due Dates

- ❑ Submit online claims by the 10th of the month for the preceding month
 - Consider weekends and holidays

- ❑ Reimbursements will be received 45 days after receipt of valid claim
 - If you would like your reimbursement directly deposited into your account, complete the ACH Form in your application packet



Common Errors

- ❑ Claim saved, but not submitted
- ❑ Missing “number of days served”
- ❑ Number of meals too high for participation
- ❑ Maximum claiming

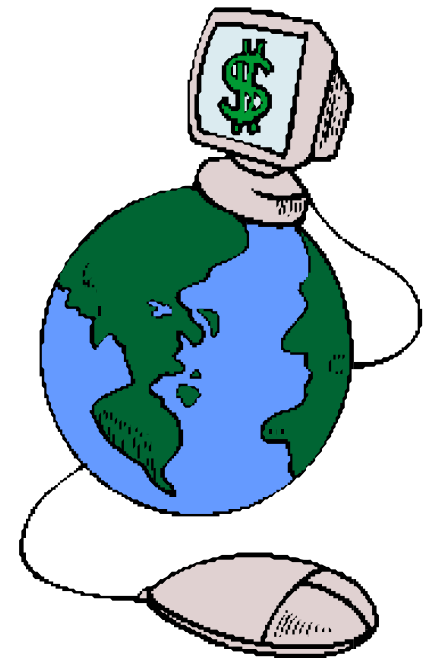


Reimbursements

- ❑ Each site must collect data
- ❑ Sponsor will receive one payment for all sites
 - Breakdown of site payments may be obtained online

Reimbursement Rates:

- Established yearly by USDA
- Effective July 1 - June 30



CHILD AND ADULT CARE FOOD PROGRAM
Per Meal Reimbursement Rates

(Expressed in Dollars or Fractions Thereof)
Effective from July 1, 2006 - June 30, 2007

RATES PER MEAL SERVED IN CHILD OR ADULT DAY CARE CENTERS

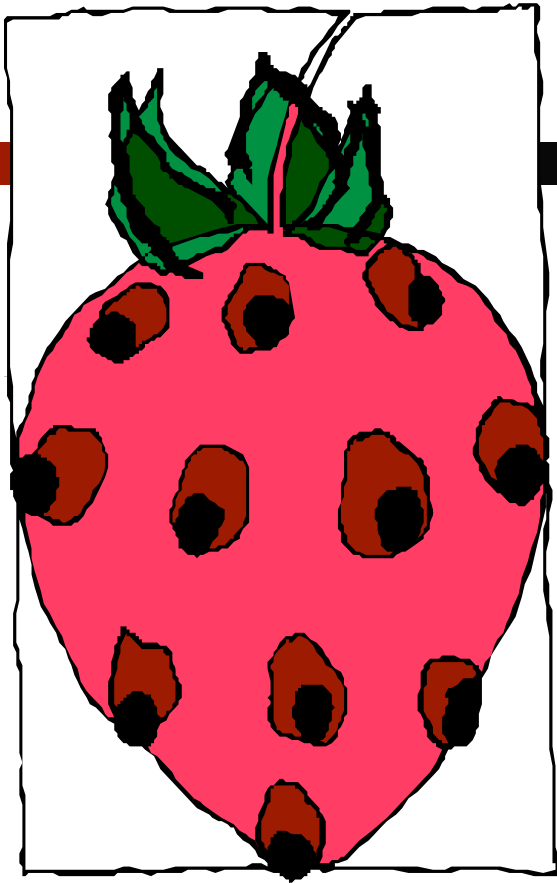
	<u>BREAKFAST</u>	<u>LUNCH/SUPPER</u>	<u>SNACK</u>
PAID	.24	.23	.06
REDUCED	1.01	2.00	.32
FREE	1.31	2.40	.65

These rates do not include the value of commodities or cash-in-lieu of commodities which institutions receive as additional assistance for each lunch or supper served to participants under CACFP. The value of cash-in-lieu of commodities is \$0.1675.

Cash-in-lieu of Commodities

- ❑ USDA Distributes agricultural commodities to Food Programs nationwide
- ❑ ADE offers cash-in-lieu of commodities
- ❑ Sponsors receive an additional \$0.1675 per lunch & supper





ADE Review Procedures

Welcome Visits

- ❑ Within first 90 days of participation
- ❑ Reviews program & provides technical assistance if needed



Audits

- ❑ Performed by contracted accountants
- ❑ Non-profit centers
 - \$500,000 threshold of Federal funds
- ❑ Proprietary centers
 - State establishes threshold
 - ❑ Currently under review to be established at \$750,000



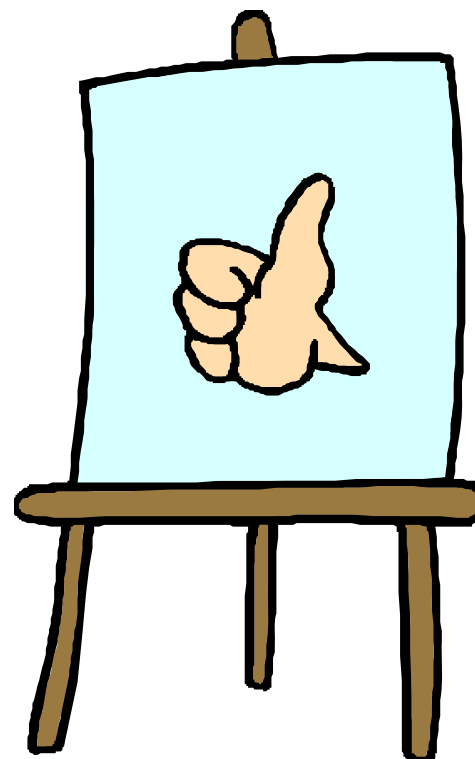
Program Reviews

- ❑ Conducted by CACFP Specialist
- ❑ No less than every **three** years
- ❑ Announced or unannounced
 - If announced, a memo will come in the mail
- ❑ Prepare by attending “Preparing for Your Center Review”
 - Register online - <http://www.ade.az.gov/onlineregistration>

Concluding a Review

■ **Your CACFP Specialist will discuss with you:**

- Summary of findings
- Best practices
- Areas of non-compliance
- Necessary corrective action
- Serious deficiencies





Corrective Action

- ❑ Explains basis of findings
- ❑ Outlines rights and responsibilities
- ❑ Provides due dates
- ❑ Explains consequences of failure to correct problem(s) by due date
- ❑ Sponsor given Review Summary & Follow-up letter



Corrective Action

- ❑ Corrective Action must be permanently maintained
- ❑ Recurrence of same problem will result in termination from CACFP
- ❑ Administrative Review Procedures
 - Corrective Action cannot be appealed
 - Sponsor can appeal action negatively affecting payment and/or participation
 - Administrative Review Procedures must be filed within timeline

Review Closure and Follow-up

no problems found → review is closed

problems identified → corrective action



problems
corrected

problems
not corrected



review
closed

propose
termination



Serious Deficiency

- ❑ Standards identified in Code of Federal Regulation, allowing States to remove institutions that cannot maintain financial viability, accountability, and management capability
- ❑ Identified serious deficiencies must remain permanently corrected
- ❑ ADE can propose termination if serious deficiency recurs

Serious Deficiency Descriptions

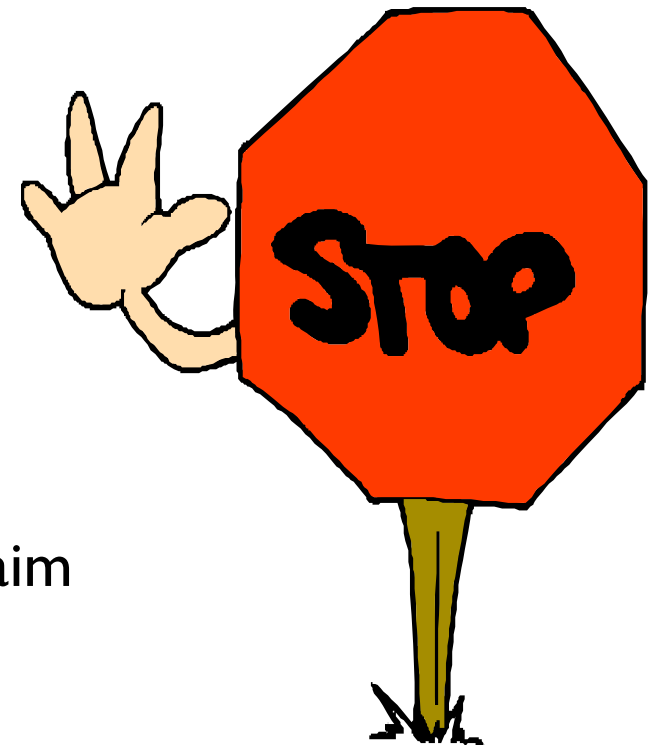
- ❑ **Submission of false information**
- ❑ Permission of an individual on the National Disqualified List
- ❑ **Failure to operate program in conformance to performance standards**
- ❑ Failure to follow Federal procurement regulations
- ❑ Invalid Title XX claiming
- ❑ Invalid Title XIX claiming
- ❑ **Failure to properly train or monitor facilities**
- ❑ Failure to disburse payments to facilities
- ❑ Conviction of institution or principals indicating lack of integrity
- ❑ Failure to adjust meal orders to conform with the number of participants
- ❑ **Claiming meals not served**
- ❑ Failure to maintain adequate records
- ❑ **Claiming for significant number of meals that do not meet program requirements**
- ❑ Use of FSMC that is in violation of health codes
- ❑ **Failure to perform financial and administrative duties**

Suspension

“The temporary ineligibility of an institution to participate in the program, including program payments”

Why suspend?

- Identified imminent danger
- Submission of false or fraudulent claim





National Disqualified List

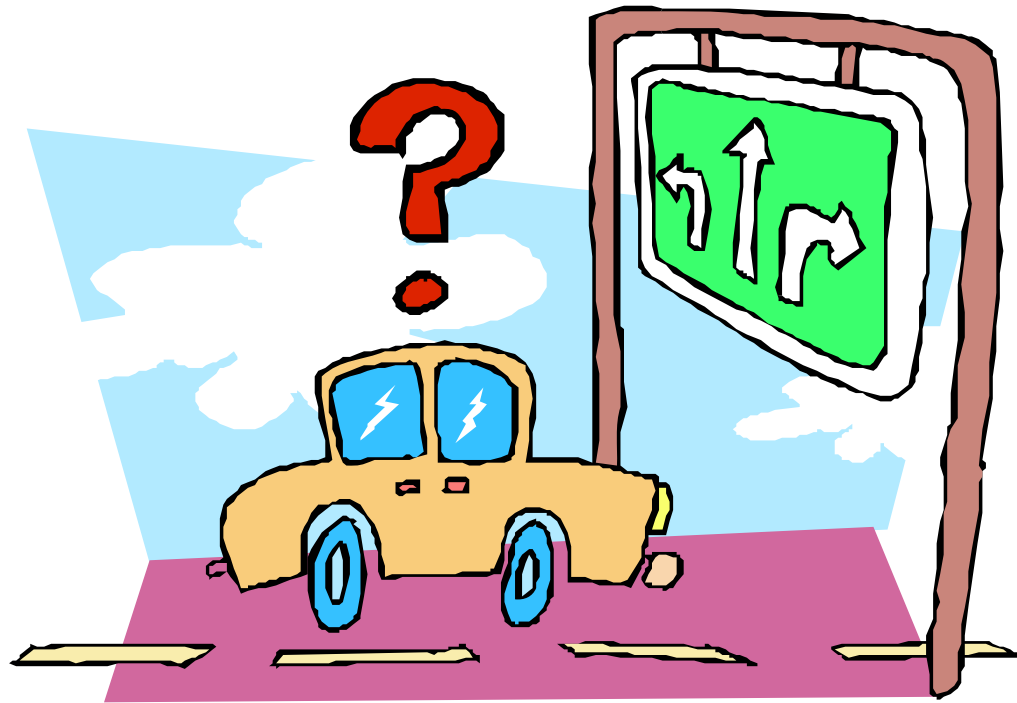
- ❑ Removal from CACFP: Who is placed on the National Disqualified List?
 - Institutions
 - Responsible Individuals
 - Responsible Principals

- ❑ How long can someone remain on the National Disqualified List?
 - 7 years or longer

CACFP Participation

- ❑ Organizations wishing to be on CACFP must work hard at it. CACFP organizations must continually demonstrate financial viability, accountability and capability. This is done during the application process, renewal process and during reviews. If a serious deficiency is identified, the organization is given the opportunity to permanently correct the situation. If the organization does not permanently correct a serious deficiency, ADE will propose termination. Again, the goal of CACFP is to provide nutritional benefits to participants in care and organizations that can not maintain the regulatory performance standards hinder the program for everyone else.

Questions?





Program Specialists

Phoenix

Kenny Barnes (602) 364-1070

Jen Leftwich (602) 364-0161

Mandy Quintanar (602) 542-1970

Dustin Melton (602) 364-0141

Tracey Nissen (602) 542-1550

Marilyn Smith (602) 542-8738

Joe Steech (602) 364-0455

Michael Flores (602) 542-8716

Tucson

Elsa Ramirez (520) 628-6774

Cori Hensley (520) 628-6775

Ernie Montana (520) 628-6776



Sponsors with
Multiple Sites &
Owners of Multiple
Single Sites



Training Requirements

- ❑ Training required prior to participation
 - Annually thereafter
 - No minimum time required
 - ❑ Recommendation no less than 2 hours



Minimum Training Requirements

- ❑ CACFP meal pattern
- ❑ Reimbursement process
- ❑ Accurate meal counts
- ❑ Claims submission
- ❑ Recordkeeping
- ❑ Civil Rights



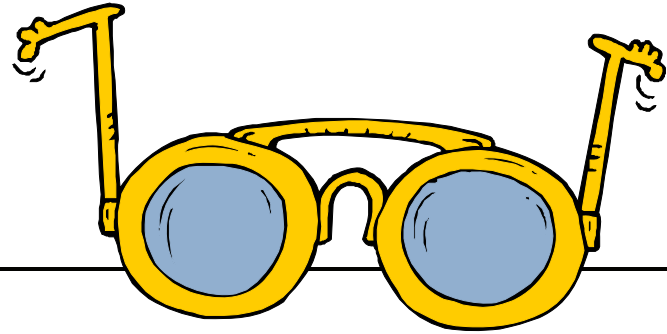
State Review of Training

- ❑ ADE will ensure that content and frequency is in compliance
 - Training records – sign in/out
 - Retention of handouts, agendas, and/or materials

Monitoring Requirements

- ❑ Sponsors or owners of multiple independent centers are required to monitor each center three times/year
 - At least 2 must be unannounced
 - At least one unannounced review must include a meal observation
 - At least one review made during first 4 weeks of operation
 - No more than 6 months between reviews
 - If serious deficiency found, next visit must be unannounced

Who can monitor?



- ❑ A monitor should be someone who is NOT involved in the day-to-day operations
 - A member of the Board or advisory group
 - A parent
 - Other staff not involved in the food service operation


- ❑ Sponsors must provide site with written notice of the right for the sponsor, ADE or FNS to make unannounced or announced reviews
 - Anyone doing the review is required to have photo ID



5-DAY RECONCILIATION

5-Day Reconciliation

- ❑ 7 CFR 226.16(d)(4)(ii) states that reviews must examine meal counts recorded for 5 consecutive days during the current and/or prior claiming period
- ❑ Sponsors and ADE will conduct 5-day reconciliations
 - Must be done at every monitoring visit
 - May use a 10% sample to reduce workload
- ❑ ADE will review Sponsor's 5-day reconciliation records



How to Conduct a 5-Day Reconciliation

- ❑ Review the most recent 5 consecutive days of meal counts for each approved meal type to ensure that meal counts do not exceed the number of participants in attendance on any day
- ❑ Based on that comparison, reviewers will determine whether the meal counts were accurate

How to Conduct a 5-Day Reconciliation

- ❑ If there are no enrollment or attendance records (such as in emergency shelters), a more general review of the facility's meal counting and claiming procedures would be conducted without a 5-day reconciliation
- ❑ Remember that meal counts should never exceed licensed capacity [7 CFR 226.17(b)(4) and 226.18(e)]



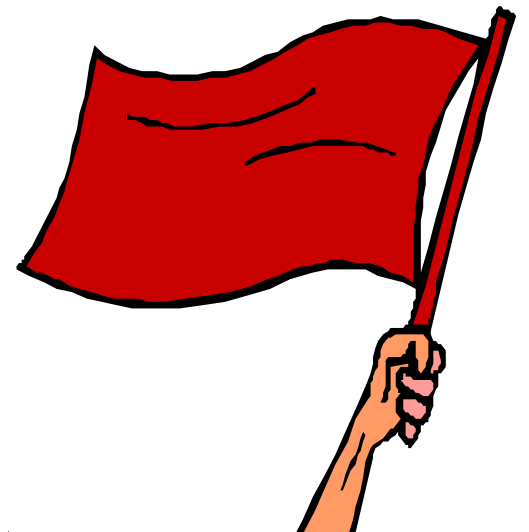
Activity IV

5-DAY RECONCILIATION ACTIVITY

Parental Contacts

- ❑ (Optional) system developed by ADE to enhance integrity
 - Used by ADE staff and Sponsors with more than one site
 - Used to support valid practices or document deficiencies and fraud
 - Must have a written policy on how to handle parental contacts

- ❑ “Red Flags”
 - Handout describes issues that rise to the level of a parental contact



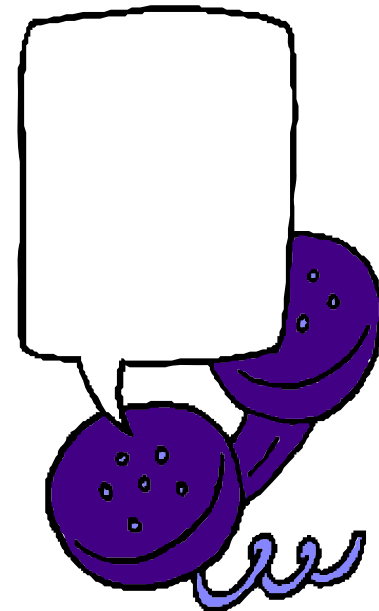
Methods for Contacting Parents

- In writing

- Mailed surveys should contain self-addressed, stamped envelope

- By telephone

- Complete Parent Survey Telephone Conversation Record Form





Take Appropriate Action

- ❑ Take appropriate action based on results of the surveys
- ❑ A single instance of an unsuccessful parental contact should not automatically result in seriously deficient determination

Block Claiming

- ❑ “A block claim is a claim... submitted by a facility on which the number of meals claimed for one or more meal type...is identical for 15 consecutive days within a claiming period”
- ❑ Closed business days are not included in “consecutive days”

Legitimate Block Claims

- ❑ Block claims can be the result of legitimate factors
 - If legitimate, document
- ❑ If not legitimate, evaluate
 - Block claiming identified requires follow-up action
 - Sponsor must conduct unannounced review within 60 days of receiving the block claim



60-Day Review

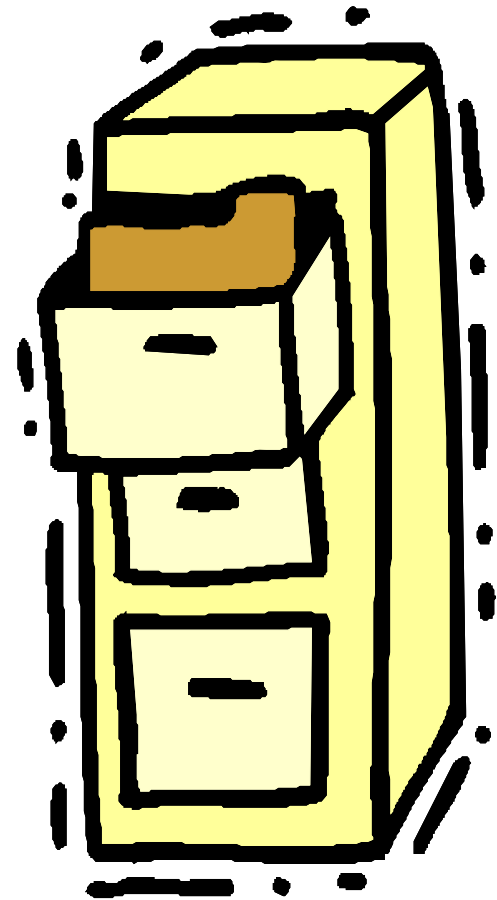
- ❑ Before the review, examine several months of claims and look for suspicious patterns
- ❑ During the review, reconcile enrollment, attendance, and meal counts for five or more days
- ❑ Evaluate the severity and frequency of the problem
- ❑ Why was the inaccurate claim submitted?
 - Sponsor may need to offer additional training

Follow Up

- ❑ Sponsor is not required to continue with more unannounced follow-up reviews for additional block claims detected during that year for that site
- ❑ Interim rule 226.16(d)(4)(iv) prohibits a facility from receiving less than three reviews per year if the facility has submitted a block claim during the review year
- ❑ Must have a written policy on how to handle block claims

Written Policies & Procedures Required

- ❑ Must have a written policy on how to handle parental contacts if necessary
- ❑ Must have a written policy on how to handle block claims



Questions?

